

4. Where a Party has set out a reservation to Article G-02 (Investment – National Treatment), G-03 (Investment – Most Favoured Nation Treatment), H-02 (Cross-Border Trade in Services – National Treatment) or H-03 (Cross-Border Trade in Services – Most Favoured-Nation-Treatment) in its Schedule to Annex I, II, or III, the reservation also constitutes a reservation to Article H *bis*-02 or H *bis*-03, as the case may be, to the extent that the measure, sector, subsector or activity set out in the reservation is covered by this Chapter.

5. Annex H *bis*-09 sets out certain specific commitments by each Party.

#### **Article H *bis*-10: Exceptions**

1. Nothing in this Chapter or Chapters G (Investment), H (Cross-Border Trade in Services), I (Telecommunications), J (Competition Policy, Monopolies and State Enterprises) or K (Temporary Entry for Business Persons) of this Agreement shall be construed to prevent a Party from adopting or maintaining measures for prudential reasons, including for the protection of investors, depositors, policy holders, persons to whom a fiduciary duty is owed by a financial institution or cross-border financial service supplier, or to ensure the integrity and stability of the financial system.<sup>1</sup> Where such measures do not conform with the provisions of this Chapter or of Chapters G (Investment), H (Cross-Border Trade in Services), I (Telecommunications), J (Competition Policy, Monopolies and State Enterprises) or K (Temporary Entry for Business Persons) of this Agreement, they shall not be used as a means of avoiding the Party's obligations under such provisions.<sup>2</sup>

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<sup>1</sup> The Parties understand that the term “prudential reasons” includes the maintenance of the safety, soundness, integrity, or financial responsibility of individual financial institutions or cross-border financial service suppliers.

<sup>2</sup> The Parties understand that a Party may take measures for prudential reasons through regulatory or administrative authorities, in addition to those who have regulatory responsibilities with respect to financial institutions, such as ministries or departments of labour.